

**CHARTER TOWNSHIP OF CLINTON
BOARD OF TRUSTEES
SPECIAL MEETING MINUTES
MONDAY, APRIL 27, 2009**

**PRESENT: ROBERT J. CANNON, SUPERVISOR
GEORGE FITZGERALD, CLERK
WILLIAM J. SOWERBY, TREASURER
ERNEST HORNUNG, TRUSTEE
DEAN REYNOLDS, TRUSTEE
JOIE WEST, TRUSTEE
KEN PEARL, TRUSTEE**

The Pledge of Allegiance was recited prior to commencement of the meeting. Also in attendance were Mr. Jack Dolan, Township Attorney, Mr. George Westerman and Mr. Brian Girard, Public Works, Mr. John Codron, Building Department Superintendent, Mr. Greg Russell, Clinton Township Heating Inspector and Mr. Carlo Santia, Planning Director.

The Special Meeting of the Charter Township of Clinton Board of Trustees was called to order by Chairman Cannon at 4:00 p.m. He explained that the purpose of the Special Meeting was to handle an emergency situation at Heritage Estates. He added that after a meeting of the Heritage Estates Sub-Committee and further inspection of the site, it was determined that twelve (12) furnaces needed to be repaired due to bad heat exchangers. Supervisor Cannon authorized the emergency repair to the twelve (12) furnaces, but now after further inspection, there were more than 55 units that needed repairs. This meeting was to inform the Board of the decision that was made for the immediate repairs and to seek input from the Board for future repairs.

Motion by Sowerby, seconded by Fitzgerald, to approve the agenda relating to Heritage Estates emergency repairs of furnaces. Motion carried.

Mr. Pearl, Chairman of the Heritage Estates sub-committee, explained that in front of the Board members was a copy of the minutes of an April 22, 2009 Heritage Estates Sub-Committee. He added that the function of the sub-committee was to look into the costs associated with changing the siding at Heritage Estates and how it was going to be paid for. The committee decided to review the condition of the units, inventory appliances and other equipment expenses. Mr. Westerman and Mr. Codron and their staff reviewed the list and noted that there were 80 units that had their heat exchangers changed over the years. When we were looking at total costs, it would be for siding, appliances and heat exchangers. After the first inspection, it was determined that twelve (12) furnaces had to be replaced due to bad heat exchangers. Since that time, the number has grown and he felt it was necessary to bring this matter back to the full Township Board for an update as to how many need to be replaced, how we will pay for it, do we replace heat exchangers only and other information presented by department heads.

Mr. George Westerman reported that as of this afternoon there are more than 55 units with heat exchangers that have holes in them and another 49 that do not have holes in them, but should be repaired before next winter. There are another 80 units that still needed to be inspected. He went on to explain that he had talked to Mr. Pearl and Mr. Cannon and that he and Mr. Girard started to get quotes on replacement of these furnaces so that the Board could better understand what we are looking at. Two quotes had been obtained, one was higher than the other, but both contractors agreed to the lower pricing. One contractor, Great Dane Heating & Cooling has already been doing work with Independent Management and the other Fire & Ice, had done work with the Township. After further inspections, the number of units that need repairs rose from 12 to 40 to 55. Mr. Westerman indicated that Ms. Lauretti was contacted and she advised that there are funds in the Senior Housing account that could be used for emergency repairs. At a cost of approximately \$2350.00 per unit for 50 units that would exceed \$100,000. He explained that the hot water tank has to be removed in order to get to the furnace unit. In addition, they are sitting on a concrete pedestal that in some cases would also have to be replaced. He was not sure about the number of pedestals that would need to be replaced, but that work could be done by the Public Works staff. He added that each of the contractors report that they would be able to replace about 4 units per day. Both Great Dane and Fire & Ice are waiting and ready to begin installation.

Mr. Pearl noted that of the 312 units, some 80 heat exchangers had been replaced previously, but no one is sure of the dates of that work and if permits had been pulled for that work.

Mr. Sowerby requested that Mr. Greg Russell, Heating Inspector, be allowed to address the Board.

Mr. Russell passed out photos of the faulty heat exchangers. He also noted that there is a serious mold problem caused by the dryer vents as they vent right to a screen. In response to inquiry, Mr. Russell stated that no one can determine how long ago the 80 heat exchangers had been repaired.

Mr. Brian Girard, Asst. Supt., Department of Public Works, remarked that his staff had gone out and inspected the units, but they are not heating contractors and that is why the Heating Inspector was called in.

Mr. Fitzgerald inquired if there was any warranty with the original units?

Mr. John Codron, Superintendent, Building Department, replied that originally there was a twenty year warranty; however, the original supplier had changed hands two times and from the information on hand, the furnaces were only warranted for ten years.

In response to inquiry, it was determined that no federal stimulus money would be available for this project, since the new furnaces would have an 80% efficiency rating, the same as the old furnaces; and the stimulus money would be available only if an increased efficiency rating was attained. Also, it was noted that because these units are AC/furnace units, it is common for them to have an 80% efficiency rating. The only way to increase the rating is to have separate heating and cooling units.

Mr. Fitzgerald questioned Mr. Dolan about the bidding process for such a project.

Mr. Dolan replied that he had some questioned as to the emergency of this situation and how many units would fall under the emergency provision of the Township's bidding policy. He felt that the Township should at least attempt to bid out the part of the project that does not fall under the "emergency" basis.

Mr. Cannon agreed with Mr. Dolan, but added that 55 units fall under the emergency basis.

Mr. Westerman felt the repairs need to be done immediately, since even though the furnaces were shut off, there would be a way to re-start them and that would pose a safety issue. He noted that even though it was warm today, the weather forecast for the end of the week indicated much cooler temperatures. If we proceed with these two contractors, and they can install 4 a day, the work could be accomplished in a few weeks. He expressed concern about people not understanding the danger of the situation might try to re-start their furnace.

Mr. Fitzgerald questioned Ms. Lauretti about a funding mechanism for this type of project.

Before Ms. Lauretti could reply, there was some concern about the number of units being discussed and the number needed on an "emergency" basis.

It was discussed that there are 312 total units in the complex. All but 80 of the units have been inspected and 55 need immediate repair and another 40 need to be repaired before winter. Another 80 have yet to be inspected. It was agreed that we should at least attempt to bid on the balance of the 40 units and any others of the 80 not yet inspected that might need repairs before winter.

Ms. Lauretti commented that the Board could borrow monies from the General fund or the Capital Improvement Fund for these improvements, to be paid back later. She also stated that there is money in the Senior Housing Fund that could probably cover the "emergency" replacement of the 55 units that need immediate repair. There is approximately \$160,000 in the budget of SR. Housing for repair and maintenance.

Mr. Pearl remarked that the committee was trying to get together with bond counsel for capital repairs of all kinds at Heritage Estates including siding and other things that need to be done there. The committee still has to look at the larger picture but we do have to act immediately on the 55 units acknowledging that the other 100 could go bad within the next nine years.

Discussion ensued about RFP's and how to proceed with this project. It was determined that after much discussion, the Township should proceed with repairing the 55 units that need immediate repair and continue inspection of the remaining 80 units. Any other repairs could be handled through an RFP and bid process and be done before the winter season.

Mr. Westerman acknowledged that the two contractors, Fire & Ice and Great Dane Heating & Cooling, have the materials and are ready to start tomorrow to complete approximately 8 units per day – that would have the job completed in roughly 7 days.

In response to inquiry, Mr. Dolan stated that he does feel confident that an emergency situation does exist and even with that in place, an effort should be made to secure competitive pricing for future work. He added that the balance of the work should go out for RFP's.

Mr. Pearl noted that if you replace the old furnace units, we will reduce the service costs in the future; thereby reducing the repair and maintenance line item of the Senior Housing budget for the future.

Mr. Cannon added that any work done by the DPW in regards to replacing the pedestals should be submitted to the Accounting Dept. for reimbursement.

Mr. Reynolds expressed concern about temporary heating units for the rest of the apartments that may need to be replaced. He noted that the future weather forecast called for lows in the 40's or 30's by the end of the week. He also suggested that perhaps another heating contractor should be added to speed up the process; thereby not inconveniencing any of the residents if the colder nights become a reality.

There was discussion that too many heating contractors would just be bumping into one another. When units are repaired on a daily basis, the temporary heaters could be used for others that are awaiting repair.

Mr. Peal noted that these units are approximately 650 square feet with only one outside wall. Normally apartments of this size retain heat from the building itself and would not get as cold as a single housing unit with four exterior walls. He added that having too many contractors on site is a logistical nightmare.

Mr. Cannon added that both of these contractors, Great Dane and Fire & Ice, each have an established history – one with Independent Management and the other with the Township. The balance of the work would be bid out and any one who wishes can bid on the project.

Mr. Westerman noted that by the end of the day on Wednesday, April 29, 2009, the remaining 80 units will be inspected and we will know how many more furnaces need to be repaired. Specifications will have to be drawn up at that time.

Mr. Pearl noted that the bids could on a unit-based contract or multiples of 1 to 10.

Mr. Westerman stated that we were able to get these two contractors quickly due to the work of Mr. Brian Girard, Mr. John Codron and Mr. Greg Russell. He thanked these gentlemen for their intense work on this citing the emergency basis of the project.

Motion by Mr. Hornung, seconded by Mr. Sowerby, to waive the bidding policy for the emergency existing at Heritage Estates for the 55 units that have condemned furnaces, along with any other units found to be condemned, and that these furnaces will be replaced under this emergency situation and that the permit fees will be waived, but inspections will not. Roll Call Vote: Aye – Hornung, Sowerby, Reynolds, Pearl, Cannon, West, Fitzgerald. **Motion carried.**

Motion by Mr. Sowerby, seconded by Mr. Fitzgerald, to go out for an RFP for all remaining heating work needing to be done along with hot water tanks, venting, etc. to go out for public bids and to make sure that all vendors follow proper procedures for permits and that those procedures and permits be made a part of that RFP. Roll Call Vote: Aye – Sowerby, Fitzgerald, Reynolds, Hornung, Pearl, Cannon, West. **Motion carried.**

Motion by Sowerby, seconded by West, that an item be added to the next Regular Meeting of the Township Board to discuss the scope of the Heritage Estates Sub-Committee. Roll Call Vote: Aye – Sowerby, West, Reynolds, Hornung, Pearl, Cannon, Fitzgerald. **Motion carried.**

Motion by Sowerby, seconded by Pearl, that the funding for these improvements come from the Senior Housing Fund and any dollars not available be borrowed from the Capital Improvement Fund and be paid back by the Senior Housing Fund at a future date; and further that a bill for all work performed by the Public Works staff with regards to the pedestals or drywall repair be submitted to the Accounting Department for reimbursement from the Senior Housing Fund. Roll Call Vote: Aye – Sowerby, Pearl, Reynolds, Hornung, Cannon, West, Fitzgerald. **Motion carried.**

ADJOURNMENT

Before adjourning, Mr. Pearl thanked everyone involved for their help including the Board members, the different department heads involved, the Heating Inspector and anyone who worked on this project in the short time frame involved. He reiterated that this was a safety issue and needed to be dealt with quickly.

Motion by Mr. Sowerby, seconded by Mr. Reynolds, to adjourn the meeting. **Motion carried.** Meeting adjourned. Time: 5:17 p.m.

Respectfully submitted,

GEORGE FITZGERALD, CLERK
Charter Township of Clinton